



Representative **Jim Buck**

24TH DISTRICT

*Serving Clallam • Jefferson • and
Grays Harbor counties*



January 2004

Dear Friends

The Legislature convened January 12, and the scheduled 60-day session will be fast-paced and intense as lawmakers tackle many critical issues, including revitalizing the state's economy, putting people back to work, and restoring public trust in government. To help accomplish those goals, House Republicans have advanced an agenda this year comprising policy proposals and strategies aimed at sharpening the state's competitive edge, encouraging business growth and creating new employment opportunities.

We made some important progress during the 2003 session toward achieving those goals, including an overhaul of the unemployment insurance system, reforms to workers' compensation, and passage of a no-new-taxes budget – all emblematic of the Legislature's ability to work together to create a more positive business environment. While we look with pride at those accomplishments, there were also missed opportunities, and we must stay focused and resolute in our commitment to getting Washington back on track.

This newsletter provides an overview of some of the challenges that we are dealing with during the session. Please take a few minutes to look it over, and if you have questions or concerns about these or other issues, please call or write to me. I am always glad to hear from you, and welcome your thoughts and ideas.

Thank you for the honor and privilege of serving you in Olympia.
Sincerely,



Jim Buck
State Representative

Rep. Buck's legislative homepage:

<http://hrc.leg.wa.gov/members/buck.htm>

Committees:

- Appropriations
- Fisheries, Ecology and Parks

2004 Legislative Report



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Creating an economic climate that brings jobs to Washington

Washington's hostile business environment has hobbled economic recovery, discouraged business development, and left thousands of citizens without hope of job opportunities. We have some heavy lifting to do if we hope to attract new employers here, and to encourage existing businesses and industries to expand.

During the 2003 session House Republicans introduced measure after measure that would help preserve the jobs we have and create new ones to replace those that have been lost. Regrettably, the majority in the House turned a deaf ear to legislation we authored. Even more disappointing, when identical bills were passed with bipartisan support in the Senate and sent to the House, the majority party refused to bring them to a vote.

Despite those setbacks, the Legislature did make important progress toward turning around Washington's negative image as a state with a hostile business climate. Our most notable accomplishment was passage of a major overhaul of the unemployment-insurance system — a move that cut \$100 million a year in business taxes.

Washington's unemployment benefits system has cost employers nearly triple the national average. At \$327.51, the state's weekly jobless benefit was the third highest in the U.S., and claimants could draw unemployment checks for up to 30

weeks — four weeks longer than most states.

The new law — which went into effect Jan. 1 — changed the formula for calculating benefits, basing them on a claimant's annual earnings, rather than the current practice of averaging the two highest quarters in the past four. The new system also trims the length of time a claimant may receive benefits from 30 weeks to 26 weeks when the unemployment rate reaches 6.8 percent or less, and ties unemployment taxes to an employer's record of laying off workers.

Boeing made it clear that reforming the system was a priority if we expected to have a chance to land its 7E7 assembly-plant project. But, scaling back the system was not just about Boeing, it was also about the thousands of other businesses around the state that deserve our best efforts to reduce the tax and regulatory burdens that stifle growth and perpetuate Washington's competitive disadvantage with other states.

The regulatory reforms and tax incentives that came out of the 2003 legislative session were a good start, but we must now look toward accelerating our efforts to put Washingtonians back to work.

Here are two areas where we believe reforms are necessary:

Workers' Compensation

Despite a record of poor performance, mismanagement, and an inability to eliminate waste within the agency, the state Department of Labor and Industries proposed raising workers' compensation premiums this year by an average of **19.4 percent** — on top of last year's hike of **29 percent**.

The 9.8 percent increase announced Dec. 2 was lower than expected, but it still hits businesses' bottom lines, and underscores the need for major reforms of the system.

Washington is one of only five states in the country that doesn't allow private workers' compensation policies. The lack of competition with the state-run system is causing great hardship on the 70 percent of Washington's employers who have no other option. The industrial insurance system needs to be opened up to allow insurance carriers to offer private workers' compensation policies to all Washington employers.

Minimum Wage

Washington's jobless rate was 4.8 percent and the state's economic engine was running on all cylinders in 1998 when voters approved an initiative tying increases in the minimum wage to rises in the cost of living. The initiative — passed during the longest period of low unemployment since the "Boeing Boom" in the mid-1960s — pushed the state's minimum wage on Jan. 1 to \$7.16 an hour, the highest in the country.

The law is a perfect example of the Law of Unintended Consequences, achieving the opposite results of those that were intended, and at great human cost.

Raising the minimum wage will not put people back to work. At a time when the state is struggling with one of the worst economies in the nation, it could cost jobs in areas like agriculture that rely on minimum wage labor.

There needs to be a balance if we hope to improve the state's competitiveness and protect jobs.

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Rep. Buck confers with a legislative colleague during a break in a House floor session.

Election-year restrictions

As your state representative, I make every effort to keep you informed of what is happening in Olympia. However, this is an election year, and under the provisions of Initiative 134, I may send only two mailings during 2004 – this newsletter being the first.

The initiative **does allow** me to respond to your direct requests for information, but other in-district mailings are not allowed. I encourage you to write or call me whenever you have a question or a comment to share on legislation or other matters.

2004 Legislative Calendar

Monday, Jan. 12 — First day of session.

Friday, Feb. 6 — The 26th day of session, and deadline for bills to be passed out of committees.

Tuesday, Feb. 10 — Deadline for bills to clear House fiscal committees.

Tuesday, Feb. 17 — Deadline for House passage of bills originating in the House.

Friday, Feb. 27 — Deadline for passage of Senate bills by House committees.

Monday, March 1 — Deadline to pass Senate bills out of fiscal committees.

Friday, March 5 — Deadline to pass all bills out of both House and Senate chambers (5 p.m.).

Thursday, March 11 — Session adjourns (sine die).

Education

The students in our K-12 education system represent the hopes and dreams of our future. We must strengthen our schools and provide students with a world-class education. Our caucus will continue its efforts to create a system that rewards successful educators and removes institutional barriers so that we can create the best learning environments and attract the most talented professionals.



House Republicans are focusing this session on four education priorities:

- Increase educational opportunities for all students by allowing districts to create opportunity schools.
- Strengthen and improve the Washington Assessment of Student Learning (WASL) to ensure that the test is an effective tool in evaluating the performance of public schools.
- Ensure that every classroom has an effective, capable teacher by recruiting, retaining and rewarding quality educators.
- Prevent labor disputes like the costly and divisive teachers walkout last fall that hobbled the Marysville School District.



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***Making
Your Voice
Heard in
Olympia!***

Jim Buck
State Representative
(360) 786-7916



E-mail: buck_ji@leg.wa.gov

Legislative Hotline: 1-800-562-6000

Legislative information on the Internet:
www.leg.wa.gov

State government on the Internet:
access.wa.gov

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P.O. Box 40600
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Jim Buck
Representative

